

2014-1001-1-0047

7/21/2014 11:16:36 AM
Chris Daniel - District Clerk Harris County
Envelope No. 1886313
By: CANDICE ARNOLD

CAUSE NO. 2012 - 27197

ORDER GRANTING ALI MOKARAM'S FIFTH MOTION FOR SANCTIONS

On April 22, 2014 Ali Mokaram (“Mokaram”) filed his Fifth Motion for Sanctions seeking reimbursement for reasonable and necessary attorney fees he incurred as the result of the dilatory tactics used by Ali Choudhri, and his attorneys, collectively (“Choudhri”) to obstruct the discovery of his personal tax returns and those of Texas Reit, L.L.C., a Choudhri controlled entity. Mokaram’s Motion is granted.

20141001110045

Judge Kerrigan ordered the production of the tax returns from Choudhri on October 2, 2012. The production of the tax returns of Choudhri and Texas Reit became a case study in obstructionist conduct. Mokaram's Fifth Motion for Sanctions provides a fair delineation of the measures Mokaram's counsel undertook to enforce Judge Kerrigan's order. This order granting sanctions attaches Mokaram's timeline contained in his Motion as Exhibit A and incorporates it herein for the purpose of providing a description of the struggle to obtain the production of the previously compelled documents.

Furthermore, Mokaram subpoenaed the records from and took the deposition of Choudhri's tax accountant Juan Frias. Juan Frias was produced as a person who could provide insight into the accounting and tax records for Choudhri and Texas Reit.

Mr. Frias is the owner of Houston Tax Consultants which purportedly prepared the tax returns for Choudhri and Texas Reit for several years. Mr. Frias was either unable or unwilling to provide any insight into either the preparation or filing of Choudhri's tax returns or the inconsistencies in the QuickBooks accounting records for Texas Reit. The deposition of Juan Frias was in the literal sense, a waste of time.

The conduct of Choudhri did cause delay and additional expense, including attorney' fees and costs, and is sanctionable under Chapter 10 of the Texas Civil Practice and Remedies Code and Rules 13 and 215 of the Texas Rules of Civil Procedure. Scott Funk, counsel for Mokaram, has provided a redacted copy of his firm's billing records which document the hours expended and the concomitant hourly rate of those providing legal services on behalf of Mokaram in their effort to procure a copy of the relevant tax and accounting information (See Exhibit B).

1
0
0
1
1
0
0
0
4
7

Mr. Funk was very conservative in segregating the time he attributed to the obstructionist conduct of Choudhri. Additionally, the recalcitrance of Choudhri necessitated the retention of an independent accounting firm to submit the signed tax forms for all the parties to the Internal Revenue Service. This protocol resulted in additional fees of approximately four thousand dollars (\$4,000.00).

The imposition of sanctions is directly related to the offensive conduct. This Order granting Sanctions is calculated to deter further discovery abuses. Furthermore, it is the opinion of the special Master that if counsel for Choudhri was the impetus for the dilatory tactics, Choudhri was unquestionably aware of these acts of non-compliance.

For the reasons stated above, Choudhri shall pay as Sanctions to Mokaram to reimburse him for his attorney fees and costs the sum of \$11,657.50 (eleven thousand six hundred fifty seven and .050/00.) no later than July 23, 2014.

I am hopeful this order will serve the purpose to ensure compliance as discovery continues in this case.

Respectfully submitted,



Scott Link
Special Master
LAW OFFICE OF SCOTT LINK
SBT#: 12390900
1331 Larnar Street, Ste. 1250
Houston, Texas 77010
Telephone: (713) 225-1118
Facsimile: (713) 222-690

20141001-1529-0048

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of July, 2014, a true and correct copy of the above and foregoing document has been served upon all parties to this case, pursuant to Texas Rules of Civil Procedure.

Rodney L. Drinon
McCathern, PLLC
200 West Loop South, Suite 2100
Houston, Texas 77027
Tel. (832) 533-8689
Fax: (832) 213-4812

Via Email

Joe Sibley
Camara & Sibley L.L.P.
4400 Post Oak Pkwy, Suite 2700
Houston, Texas 77027

Via Email

Chris Di Ferrante
401 East 11th Street
Houston, Texas 77008

Via Email

Tom Phillips
Baker Botts, L.L.P.
98 San Jacinto Blvd., Suite 4500
Austin, Texas 78701

Via Email

C. Scott Funk
Looper Reed & McGraw, P.C.
1300 Post Oak Blvd., Suite 2000
Houston, Texas 77056

Via Email

Allan D. Goldstein
Morris Lendais Hollrah & Snowden
1980 Post Oak, Suite 700
Houston, Texas 77056

Via Email



N
O
N
U
N
I
C
I
O
N
1
4
1
0
0
1
1
0
0
4
8



I, Chris Daniel, District Clerk of Harris County, Texas certify that this is a true and correct copy of the original record filed and or recorded in my office, electronically or hard copy, as it appears on this date.
Witness my official hand and seal of office this September 17, 2014

Certified Document Number: 61646895 Total Pages: 4

Chris Daniel

Chris Daniel, DISTRICT CLERK
HARRIS COUNTY, TEXAS

In accordance with Texas Government Code 406.013 electronically transmitted authenticated documents are valid. If there is a question regarding the validity of this document and or seal please e-mail support@hcdistrictclerk.com